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1.2	Proposed Attorneys for Debtors and Debtors-in-Possession
13	INTERPORTATION AND AND AND AND AND AND AND AND AND AN

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re:		
USA COMMERCIAL MORTGAGE COMPANY,		
	Debtor.	
In re:		
USA CAPITAL REALTY ADVISORS, LLC,		
	Debtor.	
In re:		
USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,		
	Debtor.	
In re:		
USA CAPITAL FIRST TRUST DEED FUND, LLC,		
	Debtor.	
In re:		
USA SECURITIES, LLC,		
	Debtor.	
Affects:		
☐ All Debtors		
■ USA Commercial Mortgage Company		
☐ USA Securities, LLC		
☐ USA Capital Realty Advisors, LLC		
☐ USA Capital Diversified Trust Deed Fund, LLC		

☐ USA First Trust Deed Fund, LLC

Case No. BK-S-06-10725 LBR Case No. BK-S-06-10726 LBR Case No. BK-S-06-10727 LBR Case No. BK-S-06-10728 LBR Case No. BK-S-06-10729 LBR

E-FILED ON MAY 9, 2006

Chapter 11

Jointly Administered Under Case No. BK-S-06-10725 LBR

APPLICATION FOR AN ORDER SHORTENING TIME TO HEAR EMERGENCY MOTION FOR ORDER TO COMPEL FIDELITY NATIONAL TITLE INSURANCE COMPANY TO MAKE DISBURSEMENTS FROM LOAN FUNDS BEING HELD BY FIDELITY AS DISBURSEMENT AGENT (AFFECTS USA COMMERCIAL MORTGAGE COMPANY)

Date: OST Requested Time: OST Requested 1

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Jeanette E. McPherson, Esq. of Schwartzer & MePherson Law Firm, attorney for USA Commercial Mortgage Company (the "Debtor"), hereby files this Application For An Order Shortening Time To Hear Emergency Motion To Compel Fidelity National Title Insurance Company To Make Disbursements From Loan Funds Being Held By Fidelity As Disbursement Agent (the "Application"), and in support thereof states as follows:

- 1. An Emergency Motion To Compel Fidelity National Title Insurance Company To Make Disbursements From Loan Funds Being Held By Fidelity As Disbursement Agent (the "Emergency Motion") has been filed by the Debtor. This Emergency Motion requests that the Court enter an order granting the Emergency Motion to prevent further damages to Debtor and to the borrowers (the "Borrowers") on five loans originated by Debtor (the "Five Loans") from the unilateral decision by Fidelity National Title Insurance Company ("Fidelity") to stop making disbursements on the Five Loans because of the filing of Debtor's Chapter 11 bankruptcy petition. The Emergency Motion requests that the Court compel Fidelity to begin making disbursements on the Five Loans from loan funds being held by Fidelity as disbursement agent that were forwarded to Fidelity by Debtor as Servicer for the Five Loans. The Five Loans are the Meadow Creek Loan, the Binford Medical Loan, the ComVest Capital Loan, the Palm Harbor One, and the Brookmere Loan.
- 2. Debtor's attorneys have made demand on Fidelity to immediately begin making disbursements on the Five Loans, but Fidelity has not responded, and has not agreed to start making disbursements on the Five Loans. See, Declaration of Douglas Monson in Support of Emergency Motion for Order to Compel Fidelity National Title Insurance Company to Make Disbursements from Loan Funds Being Held by Fidelity as Disbursement Agent and in Support of Motion for Expedited Hearing filed contemporaneously herewith.
- 3. The Borrowers, the Debtor, and the investors in the Five Loans are being severely damaged by Fidelity's unilateral decision to freeze all disbursement actions on the Five Loans. See, Declaration of Ken Schmidt in Support of Emergency Motion for Order to Compel Fidelity National Title Insurance Company to Make Disbursements from Loan Funds Being Held by Fidelity as Disbursement Agent filed contemporaneously herewith. If the disbursements to

contractors performing construction services on the Five Loans are not made immediately, the		
construction work on the Five Loans will cease. The construction delays will impair the		
Borrowers' ability to repay the Five Loans, and the repayments of the Five Loans for the benefit of		
the investors will be delayed or possibly even lost. Debtor's long-term reorganization prospects		
could be damaged if these funded loan proceeds continue to be frozen unilaterally by Fidelity		
while the construction projects languish and contractors and subcontractors halt their construction		
activities and begin to file mechanic's liens and take other collection actions.		

- 4. The Debtor is requesting that the Emergency Motion be heard as soon as possible to prevent further damages and injury to the Borrowers, the Debtor, and the investors in the Five Loans.
 - 5. Notice can be shortened pursuant to Bankruptcy Rule 9006(c)(1) and LR 9006(a).
- 6. No known party opposes hearing the Emergency Motion on an expedited basis on shortened time.

DATED this 9th day of May, 2006.

/s/ Jeanette E. McPherson

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